

**Presentment Date and Time: November 18, 2019 at 10:00 a.m. (Eastern Time)**  
**Objection Deadline: November 15, 2019 at 4:00 p.m. (Eastern Time)**  
**Hearing Date and Time (Only if Objections Filed): To Be Announced**

CLEARY GOTTLIEB STEEN & HAMILTON LLP  
One Liberty Plaza  
New York, NY 10006  
Telephone: (212) 225-2000  
Facsimile: (212) 225-3999  
Sean A. O'Neal, Esq.  
Luke A. Barefoot, Esq.  
Chelsey Rosenbloom, Esq.

*Attorneys for Transform Holdco LLC*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

---

In re:	)	Chapter 11
SEARS HOLDINGS CORPORATION., <i>et al.</i> , <sup>1</sup>	)	Case No. 18-23538 (RDD)
Debtors.	)	(Jointly Administered)
	)	

---

**NOTICE OF PRESENTMENT OF STIPULATION AND ORDER BY AND AMONG  
DEBTORS, TRANSFORM, AND PERMASTEEL, INC.**

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

**PLEASE TAKE NOTICE** that Transform Holdco LLC (the “**Buyer**”) will present the *Stipulation and Order By and Among Debtors, Transform and Permasteel, Inc.* (the “**Stipulation**”) to the Honorable Robert D. Drain, United States Bankruptcy Judge, for signature on **November 18, 2019 at 10:00 a.m. (Eastern Time)**. A copy of the Stipulation is attached hereto as **Exhibit A**.

**PLEASE TAKE FURTHER NOTICE** that any responses or objections (“**Objections**”) to the Stipulation shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, shall be filed with the Bankruptcy Court (a) by attorneys practicing in the Bankruptcy Court, including attorneys admitted *pro hac vice*, electronically in accordance with General Order M-399 (which can be found at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)), and (b) by all other parties in interest, on a CD-ROM, in text- searchable portable document format (PDF) (with a hard copy delivered directly to Chambers), in accordance with the customary practices of the Bankruptcy Court and General Order M-399, to the extent applicable, and shall be served in accordance with the *Amended Order Implementing Certain Notice and Case Management Procedures*, entered on November 1, 2018 (ECF No. 405) (the “**Amended Case Management Order**”).

**PLEASE TAKE FURTHER NOTICE** that, unless an Objection is served and filed with proof of service with the Clerk of the Court, and a courtesy copy is delivered to the undersigned and to the chambers of the Honorable Robert D. Drain, so as to be received by **November 15, 2019 at 4:00 p.m. (Eastern Time)**, there will not be a hearing to consider the Stipulation, and the Stipulation may be signed and entered by the Court.

**PLEASE TAKE FURTHER NOTICE** that, if an Objection is timely filed and served with respect to the Stipulation, a hearing (the “**Hearing**”) will be held to consider such

Objection before the Honorable Robert D. Drain, United States Bankruptcy Judge, at the United States Bankruptcy Court, 300 Quarropas Street, White Plains, New York 10601.

**PLEASE TAKE FURTHER NOTICE** that any objecting parties are required to attend the Hearing, and failure to appear may result in relief being granted upon default.

Dated: November 8, 2019  
New York, New York

/s/ Luke A. Barefoot  
CLEARY GOTTLIEB STEEN & HAMILTON LLP  
One Liberty Plaza  
New York, NY 10006  
Telephone: (212) 225-2000  
Facsimile: (212) 225-3999  
Sean A. O'Neal, Esq.  
Luke A. Barefoot, Esq.  
Chelsey Rosenbloom, Esq.

*Attorneys for Transform Holdco LLC*

**Exhibit A**

**Stipulation**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

---

In re:	)	Chapter 11
	)	
SEARS HOLDINGS CORPORATION., <i>et al.</i> <sup>1</sup>	)	Case No. 18-23538 (RDD)
	)	
Debtors.	)	(Jointly Administered)
	)	

---

**STIPULATION AND ORDER BY AND AMONG  
DEBTORS, TRANSFORM AND PERMASTEEL, INC.**

This Stipulation and Order (the “**Stipulation and Order**”) is made as of November 8, 2019, by and among the above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”), Transform Holdco LLC (the “**Buyer**”) and Permasteel, Inc. (“**Permasteel**” and together with the Debtors and Buyer, the “**Parties**”) through their respective and duly authorized counsel of record, or in the case of Permasteel, through a duly authorized representative.

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovol Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

**Recitals**

A. On October 15, 2018, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”), in the United States Bankruptcy Court for the Southern District of New York (the “**Court**”).

B. On January 23, 2019, the Debtors filed and served on the applicable counterparties the *Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 1774) (the “**Supplemental Cure Notice**”), which listed certain agreements that could potentially be assumed and assigned, including the License Agreement, by and between Debtor Sears Brands Management Corporation (“**SBMC**”) and Permasteel (as amended, the “**License Agreement**”), at line item number 430 thereof.

C. On February 1, 2019 the Debtors filed the *Notice of Filing Initial Assigned Agreements in Connection with Global Sale Transaction* (ECF No. 2349) (the “**Initial Assigned Agreements Notice**”) notifying applicable counterparties that certain Contracts listed on Exhibit A had been designated by the Buyer for assumption and assignment on the Closing Date as Initial Assigned Agreements, including the License Agreement at line item number 138.<sup>2</sup>

D. On February 8, 2019, the *Order (I) Approving the Asset Purchase Agreement Among Sellers and Buyer, (II) Authorizing the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts, and Leases in Connection Therewith, and (IV)*

---

<sup>2</sup> The list of Initial Assigned Agreements was subsequently amended in the *Notice of Filing of Revised List of Initial Assigned Agreements in Connection with Global Sale Transaction* (ECF No. 2377), the *Notice of Filing of Further Revised List of Initial Assigned Agreements in Connection with Global Sale Transaction* (ECF No. 2452), and the *Notice of Filing of Further Revised List of Initial Assigned Agreements in Connection with the Sale Transaction* (ECF No. 2910), but no change with respect to the assumption of the License Agreement was made.

*Granting Related Relief* (ECF No. 2507) was entered by the Court (the “**Sale Order**”), approving the sale of substantially all of the Debtors’ assets to Buyer. The Sale Order approved the assumption and assignment of the Initial Assigned Agreements.<sup>3</sup> Sale Order at ¶¶ 3, 31.

E. Following receipt of an email notice from counsel to Transform to counsel to the Debtors, which mistakenly indicated that the License Agreement, which has already been assumed and assigned, could be rejected, on April 22, 2019, the Debtors filed the *Notice of Rejection of Executory Contracts* (ECF No. 3311) (the “**Rejection Notice**”) which listed the License Agreement at line item 71.

F. On May 15, 2019, the Court entered the *Order Approving the Rejection of Certain Executory Contracts* (ECF No. 3886) (the “**Rejection Order**”), which included the License Agreement at line item 71 due to the mistake reflected in the Rejection Notice.

**IT IS THEREFORE AGREED, AND UPON BANKRUPTCY COURT APPROVAL  
HEREOF, IT SHALL BE ORDERED AS FOLLOWS:**

1. Notwithstanding that the License Agreement was inadvertently listed in the Rejection Notice and Rejection Order, because the License Agreement was included as an Initial Assigned Agreement, the License Agreement has been assumed and assigned on the terms set forth in the Supplemental Cure Notice, the Initial Assigned Agreements Notice, and the Sale Order.

2. This Stipulation and Order shall be deemed effective and in full force and effect on the date of entry of this Stipulation and Order (the “**Effective Date**”).

3. This Stipulation and Order shall inure to the benefit of, and shall be binding upon, the Parties, their successors and assigns.

---

<sup>3</sup> Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Sale Order.

4. This Stipulation and Order may be executed in one or more counterparts, which collectively shall form one and the same agreement. Any of the Parties may execute this Stipulation and Order by signing any such counterpart and each of such counterparts (whether an original or a copy) shall for all purposes be deemed an original.

5. Pending entry of this Stipulation and Order by the Court, the Parties shall not take actions inconsistent with the provisions of this Stipulation and Order. In the event that this Stipulation and Order is not approved by the Court or is not executed by the Parties, (a) nothing herein shall be used against any of the Parties hereto for any reason and (b) the obligations of the Parties under this Stipulation and Order shall be null and void and, with the exception of this paragraph, the Parties' respective rights and obligations under applicable law shall remain unaffected by this Stipulation and Order.

6. The Court shall have jurisdiction over any action or proceeding arising out of, or relating to, this Stipulation and Order.

*[Signature Page Follows]*

Dated: November 8, 2019

By: /s/ Jacqueline Marcus

WEIL GOTSHAL & MANGES  
LLP  
767 Fifth Avenue  
New York, New York 10153  
Telephone (212) 310-8000  
Facsimile: (212) 310-8007  
Ray C. Schrock, P.C., Esq.  
Jacqueline Marcus, Esq.  
Garrett A. Fail, Esq.  
Sunny Singh, Esq.

*Attorneys for the Debtors and  
Debtors-in-Possession*

Dated: November 8, 2019

By: /s/ Luke A. Barefoot

CLEARY GOTTLIEB STEEN &  
HAMILTON  
One Liberty Plaza  
New York, New York 10006  
Telephone: (212) 225-2000  
Facsimile: (212) 225-3999  
Sean A. O'Neal, Esq.  
Luke A. Barefoot, Esq.  
Chelsey Rosenbloom, Esq.

*Attorneys for Transform Holdco  
LLC*

Dated October 30, 2019

:

By: 

100 Exchange Place  
Pomona, CA 91768  
Telephone: (888) 287-0735  
Xiaorong Hu

*Permasteel, Inc.*

**SO ORDERED**

Dated: \_\_\_\_\_, 2019  
White Plains, New York

\_\_\_\_\_  
THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE